

1 UNITED STATES DISTRICT COURT
2 CENTRAL DISTRICT OF CALIFORNIA - WESTERN DIVISION
3
4 UNITED STATES OF AMERICA,) Case No. LA CR 24-00091-ODW
5 Plaintiff,) LA CR 24-00702-ODW
6 vs.) Los Angeles, California
7 ALEXANDER SMIRNOV,) Monday, December 16, 2024
8 Defendant.) (8:04 a.m. to 9:14 a.m.)
9)

13 Appearances: See next page.
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25

1 Los Angeles, California; Monday, December 16, 2024 8:04 a.m.

2 --oo--

3 (Call to Order)

4 THE CLERK: Calling Item 1, CR 24-91 and CR 24-
5 702, United States of America versus Alexander Smirnov.

6 Counsel, may I have your appearances, please.

7 MR. WISE: Good morning, your Honor. Leo Wise,
8 Derek Hines and Sean Mulryne for the United States.

9 THE COURT: Good morning, Gentlemen.

10 MR. CHESNOFF: May it please the Court, your
11 Honor, David Chesnoff, Nasser Khoury, Chad --

12 MR. NARDIELLO: Nardiello, your Honor.

13 MR. CHESNOFF: -- Nardiello, and Mark Byrne, our
14 local counsel, your Honor.

15 THE COURT: Good morning, Gentlemen.

16 ALL: Good morning, your Honor.

17 THE COURT: I hope you all realize this is just
18 fraught with opportunities to screw it up, but apparently --
19 well, I'm going to proceed as though you know that that's
20 what you're doing, you know that this is going to be tough
21 to keep straight, and you're going to proceed in this
22 fashion in spite of that. We're going to try to do -- take
23 pleas on both cases, two unrelated cases. I will do my
24 best.

25 Okay. There's quite a bit of cross-over. So, I'm

1 not going to repeat that twice, but -- oh, well. Let's see
2 what happens. I'll be surprised.

3 All right. Mr. Chesnoff, it's my understanding
4 that your client is desirous of entering a plea of guilty to
5 Count 2 of the indictment in Case Number 24-CR-00091. Is
6 that correct?

7 MR. CHESNOFF: Yes, your Honor.

8 THE COURT: Just in case I don't -- well, it's
9 also my understanding that your client is also interested in
10 entering a guilty plea in Case Number 24-CR-00702 to Counts
11 1, 5, and 8 of that indictment. Correct?

12 MR. CHESNOFF: Yes, your Honor.

13 THE COURT: All right. Mr. Smirnov, before I can
14 take your pleas, first I need to be certain that you have
15 been informed of and understand your various constitutional
16 rights and that you understand the rights that you would be
17 giving up by entering pleas of guilty in either or both of
18 these cases and that you understand that you can insist on
19 putting the Government to the burden and the test of proving
20 your guilt beyond a reasonable doubt in both of these cases
21 to all of the causes of action and that by pleading guilty,
22 you are waiving or giving up your right to a trial and a
23 right to put the Government to its burden of proof, and
24 you're simply admitting your guilt, and the only thing that
25 will remain is the imposition of sentence.

1 Do you understand that, sir?

2 THE DEFENDANT: Yes, your Honor.

3 THE COURT: Now, pull the mic closer.

4 THE DEFENDANT: Yes, sir.

5 THE COURT: All right. The way this is going to
6 proceed is I'm going to be making a number of statements to
7 you, and I'm also going to be asking you a series of
8 questions, questions to which I will expect a truthful
9 response for, indeed, you will be placed under oath
10 momentarily by Ms. English, and that will obligate you to be
11 truthful in your response to the Court's questions.

12 If it is later determined that you have been
13 willfully false in your answers to the Court's questions,
14 that may subject you to a future prosecution for perjury or
15 for making a false statement.

16 Do you understand that?

17 THE DEFENDANT: Yes, your Honor.

18 THE COURT: If at any time during the course of
19 this hearing you don't understand anything that I say,
20 please let me know, and I will rephrase it or repeat it or
21 do whatever is necessary to see to it that you understand
22 precisely what is going on.

23 Will you do that?

24 THE DEFENDANT: Yes, your Honor.

25 THE COURT: Okay. Also, during the course of this

1 hearing, if you wish to speak with your attorney, you may do
2 so, and you don't have to ask for permission. That's what
3 your attorney is here for. If anything is said or done that
4 is not clear to you, please seek clarification from your
5 attorney or you can seek clarification from me.

6 One of the things I don't want to happen here --
7 and it happens all too often -- is that I speak with
8 defendants who have just recently come from a -- a court
9 hearing, and they cannot tell me what occurred. That should
10 not be, and for something as important as this, I want you
11 to be able to articulate exactly what occurred this morning.
12 All right. And if anything is unclear, please let me know.
13 Okay?

14 THE DEFENDANT: I will, your Honor.

15 THE COURT: All right. The most important thing
16 here is that what -- what you intend to do -- I'm going to
17 assume that it is your intention to -- to enter pleas of
18 guilty to these four counts. What's vitally important is
19 that this be the product of your free will. I'm going to
20 ask you more than once as to whether or not you are pleading
21 guilty voluntarily and of your free will. I don't think
22 anything about this hearing is more important than that.

23 So, tell me, has anyone threatened you or promised
24 you anything of value, any benefit in exchange for your plea
25 of guilty other than what is contained in the written plea

1 agreement? Is there anything else that is influencing your
2 decision to plead guilty?

3 THE DEFENDANT: No, your Honor.

4 THE COURT: Okay. After you are placed under
5 oath, I'm going to ask you some questions which, admittedly,
6 are intrusive, and it's not because I care or that I really
7 want to know the answers. The only thing I care about is
8 whether or not you are legally able to waive your
9 constitutional rights and plead guilty. I need to know
10 whether or not you, for example, are intoxicated or heavily
11 medicated or even temporarily mentally incompetent.

12 So, the questions I'm going to put to you deal
13 with your mental competency, deal with your sobriety. And,
14 again, not because I'm interested in that. I'm not
15 interested in that. I simply just want to establish a
16 record that you are legally competent to waive your
17 constitutional rights.

18 Do you understand?

19 THE DEFENDANT: Yes, your Honor.

20 THE COURT: And then we will move away from that
21 sort of thing. Okay.

22 Now, I also need to know whether or not you are
23 willing to waive your right to remain silent so that you may
24 answer my questions. You still possess and will always
25 possess your Fifth Amendment right against self-

1 incrimination, but the answers to some of these questions
2 will certainly involve you incriminating yourself. So, I
3 need to know whether or not for the purpose of this hearing
4 only are you willing to -- to waive your Fifth Amendment
5 rights against self-incrimination?

6 THE DEFENDANT: Yes, your Honor.

7 THE COURT: Counsel join?

8 MR. CHESNOFF: Yes, your Honor.

9 THE COURT: All right. Thank you.

10 All right, sir, do you have any questions of me
11 before we get started?

12 (Pause.)

13 MR. CHESNOFF: He asked you do you have any
14 questions for him. Say no, your Honor.

15 THE DEFENDANT: No, your Honor.

16 THE COURT: Okay. All right. Sheila, go ahead
17 and swear him.

18 ALEXANDER SMIRNOV - DEFENDANT - SWORN

19 THE COURT: All right, sir. Would you please
20 state your full and correct name, please.

21 THE DEFENDANT: Alexander Smirnov.

22 THE COURT: How old are you, sir?

23 THE DEFENDANT: Forty-four.

24 THE COURT: Did you say 44? Okay.

25 How many years of education have you completed?

1 THE DEFENDANT: High school.

2 THE COURT: Okay. Have you been treated recently
3 for any mental illness or addiction to narcotics of any
4 kind?

5 THE DEFENDANT: No, your Honor.

6 THE COURT: Are you presently under the influence
7 of any drug, medication or alcoholic beverage of any kind?

8 THE DEFENDANT: No, your Honor.

9 THE COURT: Have you had any drugs, medication or
10 alcohol within the last 24 hours?

11 THE DEFENDANT: No, your Honor.

12 THE COURT: Have you been prescribed any
13 medication which you have not taken?

14 THE DEFENDANT: No, your Honor.

15 THE COURT: Do you suffer from any mental
16 condition or disability that would prevent you from fully
17 understanding the charges against you or the consequences of
18 your guilty plea?

19 THE DEFENDANT: No, your Honor.

20 THE COURT: Are you aware of any reason why we
21 should not go forward today and take your plea?

22 THE DEFENDANT: No, your Honor.

23 THE COURT: Okay. Mr. Chesnoff, have you had an
24 opportunity to speak with your client about these
25 proceedings?

1 MR. CHESNOFF: Yes, I have, your Honor.

2 THE COURT: Do you have any reason to believe that
3 he is not in possession of his faculties and is competent to
4 proceed?

5 MR. CHESNOFF: I have no such feelings, your
6 Honor.

7 THE COURT: All right. Based upon the statements
8 of the Defendant and his attorney, as well as my own
9 observations, I find that the Defendant is in full
10 possession of his faculties and is competent to proceed.

11 All right, sir. Have you received -- arbitrarily
12 go into your 91 case. Have you received a copy of the
13 indictment in the case 24-CR-91, the one charging the false
14 statement, the non-tax case?

15 THE DEFENDANT: Yes, your Honor.

16 THE COURT: Okay. Have you seen the indictment?

17 THE DEFENDANT: Yes.

18 THE COURT: You're entitled to have that
19 indictment read to you, the entire indictment read to you at
20 this time. Would you like the entire indictment read to you
21 now?

22 THE DEFENDANT: No, your Honor.

23 THE COURT: All right. Thank you.

24 You are also entitled to the following
25 constitutional rights, rights that you would be giving up by

1 pleading guilty.

2 First, you have the right to plead not guilty to
3 any offense charged against you and to persist in that plea.

4 You have the right to a speedy and public trial.

5 You have the right to a trial by jury. At trial
6 you would presumed to be innocent, and the Government would
7 have to prove your guilt beyond a reasonable doubt. If both
8 you and the Government give up your right to a jury trial,
9 you have the right to be tried by the Court.

10 You have the right to the assistance of counsel
11 for your defense throughout the proceedings. If you cannot
12 afford counsel, the Court will appoint counsel to represent
13 you free of charge and to assist you at trial and at every
14 other stage of the proceedings.

15 You have the right to confront and cross examine
16 the witnesses against you, that is, to see and hear all of
17 the witnesses testify and to have them questioned by your
18 lawyer.

19 You have the right to have witnesses subpoenaed
20 and compelled to come to court to testify on your behalf.

21 You have the right to testify yourself on your own
22 behalf. But, conversely, you have the privilege against
23 self-incrimination, that is, you have the right not to
24 testify or incriminate yourself in any way.

25 If you went to trial and decided not to testify,

1 that fact could not be used against you. But by pleading
2 guilty, you are giving up that right, and you are
3 incriminating yourself.

4 Lastly, you have the right to appeal your
5 conviction and your sentence if you go to trial and you are
6 convicted.

7 Have you been advised of all of these rights, sir?

8 THE DEFENDANT: Yes, your Honor.

9 THE COURT: Do you recall reading these rights in
10 your plea agreements? Maybe I should establish that you
11 actually read the plea agreements. Have you read them, sir?

12 THE DEFENDANT: Yes, your Honor.

13 THE COURT: And do you recall reading an entire
14 section in the plea agreements dealing with the waiver of
15 your constitutional rights?

16 THE DEFENDANT: Yes, your Honor.

17 THE COURT: That addressed each of the rights that
18 I have just gone over?

19 THE DEFENDANT: Yes, your Honor.

20 THE COURT: Do you have any questions about any of
21 your constitutional rights?

22 THE DEFENDANT: No, your Honor.

23 THE COURT: Would you like a few moments to speak
24 with your lawyer about any of your constitutional rights?

25 THE DEFENDANT: No, your Honor.

1 THE COURT: All right. Counsel, are you satisfied
2 that his waivers are voluntarily, intelligently, and
3 knowingly made?

4 MR. CHESNOFF: Yes, I am, your Honor.

5 THE COURT: And do you join and concur in each of
6 these waivers?

7 MR. CHESNOFF: Yes, I do, your Honor.

8 THE COURT: All right. Beginning with 91, you are
9 charged in Count 2 of the indictment ending in 91 with
10 causing the creation of a false and fictitious record in a
11 federal investigation, in violation of 18 U.S.C. Section
12 1519, hereinafter the obstruction of justice indictment.

13 Do you understand that?

14 THE DEFENDANT: Yes, your Honor.

15 THE COURT: Do you have any questions about that?

16 THE DEFENDANT: No, your Honor.

17 THE COURT: All right. Mr. Wise, would you please
18 state the elements of the offense? I'm sitting here
19 deciding how to proceed. So, it's --

20 MR. WISE: I'll proceed any way you tell me to,
21 your Honor.

22 The elements of the charge of 18 U.S.C. 1519 are
23 as follows:

24 First, the Defendant knowingly caused the making
25 of a false entry in an FBI Form 1023, a record and document,

1 and

2 Second, Defendant acted with the intent to impede,
3 obstruct or influence an actual or contemplated
4 investigation of a matter within the jurisdiction of the
5 United States Department of Justice, a department and agency
6 of the United States.

7 THE COURT: Just so you know, I'm thinking about
8 getting them both out of the way.

9 All right, sir. Do you have any questions about
10 what the prosecutor just said in terms of what would have to
11 be -- the facts that would have to be established beyond a
12 reasonable doubt in order to secure your conviction on Count
13 2 of the indictment in Case 91? Do you have any questions?

14 THE DEFENDANT: I don't, your Honor.

15 THE COURT: Okay. Unless someone's got a better
16 idea, because I'm not wed to any particular idea, then I
17 will go over the -- the same things with respect to the
18 other indictment.

19 Okay. In the 702 indictment, there are three
20 charges alleged in Counts 1, 5 and 8, which charge the
21 Defendant with tax evasion for the tax years 2020, 2021,
22 2022.

23 Again, Mr. Wise, would you be so kind as to advise
24 of the charges and the facts that would have to be
25 established?

1 MR. WISE: Yes, your Honor. The Defendant
2 understands that for the Defendant to be guilty of the crime
3 charged in Counts 1, 5, and 8 in the tax evasion indictment,
4 in violation of 26 United States Code Section 7201, the
5 following must be true:

6 First, the Defendant owed more federal income tax
7 for the tax years 2020, 2021 and 2022 than was declared due
8 on the Defendant's income tax returns for each calendar
9 year;

10 Second, the Defendant knew that more federal
11 income tax was owed than was declared due on the Defendant's
12 income tax returns;

13 Third, the Defendant made an affirmative attempt
14 to evade or defeat such additional tax, including at least
15 one of the affirmative acts charged in the tax evasion
16 indictment and, fourth, in attempting to evade or defeat
17 such additional tax, the Defendant acted willfully.

18 THE COURT: All right, sir. Do you have any
19 questions about the facts that would have to be established
20 in the 7072 indictment in order for you to be convicted of
21 either Counts 1, 5, or 8?

22 THE DEFENDANT: No, your Honor.

23 THE COURT: Okay. Next I'm going to ask the
24 prosecutor to go over the various penalties that you face.
25 We're going to talk about the maximum fine -- correction --

1 the maximum term of imprisonment which could be imposed.
2 Again, let's -- let's one at a time, start with 91, the
3 maximum term of imprisonment which could be imposed, the
4 maximum fine which could be levied against you, the concept
5 of supervised release, and the various collateral
6 consequences which might follow the suffering of a felony
7 conviction.

8 Are you a United States citizen, sir?

9 THE DEFENDANT: Yes, your Honor.

10 THE COURT: Okay. Then we can forego a discussion
11 of the immigration consequences.

12 All right. Go ahead, Counsel.

13 MR. WISE: Thank you, your Honor.

14 And this is at paragraph eight of the plea
15 agreement. Defendant -- Defendant understands that the
16 statutory maximum sentence that the Court can impose for a
17 violation of 18 United States Code 1519 -- this is Count 2
18 of the --

19 THE COURT: Yes.

20 MR. WISE: -- obstruction of justice indictment --
21 is 20 years imprisonment, a three-year period of supervised
22 release, a fine of \$250,000 and a mandatory special
23 assessment of \$100.

24 THE COURT: While we're at it, let's move right
25 into 702.

1 MR. WISE: Thank you, your Honor.

2 For a violation of --

3 THE COURT: Oh, wait a minute. You're right.

4 You're right.

5 Sir, do you have any -- any questions about what
6 he said with respect to indictment 91?

7 THE DEFENDANT: No, your Honor.

8 THE COURT: Okay. Any -- any objection to us
9 moving now into the next indictment, 702?

10 MR. CHESNOFF: None, your Honor.

11 THE COURT: Okay. Go ahead, sir.

12 MR. WISE: Thank you, your Honor.

13 For a violation of 26 United States Code 7201,
14 which is Counts 1, 5, and 8 of the tax evasion indictment,
15 the maximum sentence the Court can impose is a five-year
16 term of imprisonment per count, a three-year period of
17 supervised release, a fine of \$250,000 or twice the gross
18 gain or gross loss resulting from the offense, whichever is
19 greatest, and a mandatory special assessment of \$100.

20 THE COURT: Supervised release, if you happen to
21 have it at hand.

22 MR. WISE: Three years, your Honor.

23 THE COURT: Okay. Collateral consequences? I
24 don't see that in the plea agreement. That's troublesome.

25 MR. WISE: So, your Honor, starting at paragraph

1 11, collateral consequences are described as --

2 THE COURT: Thank you.

3 MR. WISE: -- well as in additional paragraphs,
4 and I can read those.

5 THE COURT: Yes.

6 MR. WISE: So, starting in paragraph 11, Defendant
7 understands that by -- that by pleading guilty, Defendant
8 may be giving up valuable government benefits and valuable
9 civic rights such as the right to vote, the right to possess
10 a firearm, the right to hold office, and the right to serve
11 on a jury.

12 Defendant understands that he is pleading guilty
13 to a felony and that it is a federal crime for a convicted
14 felon to possess a firearm or ammunition.

15 Defendant understands that the convictions in this
16 case may also subject Defendant to various other collateral
17 consequences, including but not limited to revocation of
18 probation, parole, or supervised release in an other case
19 and suspension or revocation of a professional license.

20 Defendant understands that unanticipated
21 collateral consequences will not serve as grounds to
22 withdraw Defendant's guilty pleas.

23 And then at paragraph 15 -- and I think your Honor
24 has already asked if the Defendant is -- is a citizen --
25 there is a paragraph concerning immigration consequences

1 which I can read or not.

2 THE COURT: We need not bother with that, but you
3 probably need to do 12, 13, and 14.

4 MR. WISE: Got it. At paragraph 12, Defendant
5 agrees to pay restitution to the Internal Revenue Service
6 for his federal individual income taxes in an amount to be
7 determined by the Court pursuant to 18 United States Code
8 Section 3663(a) (3).

9 And then at paragraph 13, Defendant agrees that
10 restitution to the IRS is due and payable immediately after
11 the judgment is entered and is subject to immediate
12 enforcement in full by the United States.

13 If the Court imposes a schedule of payments,
14 Defendant agrees that the schedule of payments is a schedule
15 of the minimum payment due and that the payment schedule
16 does not prohibit -- prohibit or limit the methods by which
17 the United States may immediately enforce the judgment in
18 full.

19 THE COURT: All right, sir. Do you have any
20 questions about anything that's been said so far?

21 THE DEFENDANT: No, your Honor.

22 THE COURT: All right. You should also understand
23 that parole has been abolished in the federal system, and if
24 you are sentenced to prison, you will not be released on
25 parole.

1 Now, do you have any questions regarding the
2 potential sentence that you may receive if the Court accepts
3 your pleas of guilty?

4 THE DEFENDANT: No, your Honor.

5 THE COURT: All right. Do you think you've
6 understood everything that's been said so far?

7 THE DEFENDANT: Yes, your Honor.

8 THE COURT: Any reason I should not continue with
9 these proceedings and take your plea?

10 THE DEFENDANT: No, your Honor.

11 THE COURT: All right, sir. You will be sentenced
12 under the Sentencing Reform Act of 1984. The United States
13 Sentencing Commission has issued guidelines which judges
14 must consult and take into account but are not required to
15 follow in determining the sentence in a criminal case.

16 Now, have you and your attorney talked about how
17 the sentencing guidelines might be employed in your case?

18 THE DEFENDANT: Yes, your Honor.

19 THE COURT: During the course of those
20 discussions, did you have occasions to refer to a Sentencing
21 Table?

22 THE DEFENDANT: Can you -- can you repeat?

23 THE COURT: Does -- does this table look familiar
24 to you, sir?

25 THE DEFENDANT: Yes.

1 THE COURT: Okay. You -- you went over the
2 Sentencing Table and --

3 THE DEFENDANT: Yes.

4 THE COURT: -- how it's read?

5 THE DEFENDANT: Yes, your Honor.

6 THE COURT: You don't need me to go over it again?

7 THE DEFENDANT: No, your Honor.

8 THE COURT: Okay.

9 (Pause.)

10 THE COURT: You should understand that at this
11 particular stage that neither the Court nor your attorney
12 will be able to determine the guidelines range for your case
13 until after the Presentence Investigation Report has been
14 prepared by the Probation officer.

15 You should understand that both you and the
16 Government will have an opportunity to review that report
17 and to challenge the reported facts, as well as the
18 guidelines range calculated by the Probation officer and to
19 suggest that the Court consider other factors as well.

20 You should also understand that the sentence
21 imposed may be different from any estimate that your
22 attorney may have given you. Matter of fact, let's talk
23 about this.

24 We have -- it's my understanding -- in fact,
25 indeed, it's -- it appears in the plea agreement that this

1 plea is pursuant to 11(c) (1) (C) of the Rules of Criminal
2 Procedure. And what that means is if I accept the plea
3 agreement, I am being bound or I'm binding myself to impose
4 the sentence that the parties have agreed to, and in this
5 particular case, having looked at the -- the agreed upon
6 range of sentences that the parties have agreed upon in any
7 event, I am willing to tell you now that I agree with the --
8 the plea agreement and the -- the sentencing agreement that
9 the parties have stipulated to and that I agree to be bound
10 by that agreement in terms of the imposition of sentence in
11 this case. So, that's off the table.

12 Has anyone made you any promises or
13 representations or guarantees of any kind other than what is
14 contained in the written plea agreement in order to get you
15 to enter a plea of guilty to either of these cases?

16 THE DEFENDANT: No, your Honor.

17 THE COURT: Has anyone told you that the Court
18 would impose any specific sentence in the event your guilty
19 pleas are accepted?

20 (Pause to confer.)

21 THE DEFENDANT: Yes, between 48 and 72 months.

22 THE COURT: Say that again?

23 THE DEFENDANT: Whatever's written in the
24 agreement, 48 to 72 months.

25 THE COURT: Oh, you're talking about the -- the

1 potential sentencing range?

2 THE DEFENDANT: Yes.

3 THE COURT: Okay. Has anyone told you that the
4 Court would impose any specific sentence in the event your
5 guilty --

6 THE DEFENDANT: No.

7 THE COURT: -- plea is accepted?

8 THE DEFENDANT: No, your Honor.

9 THE COURT: Okay. Has anyone attempted in any way
10 to threaten you, a family member or anyone close to you in
11 an effort to get you plead guilty in this case?

12 THE DEFENDANT: No, your Honor.

13 THE COURT: Are you pleading guilty voluntarily
14 and of your own free will?

15 THE DEFENDANT: Yes, your Honor.

16 THE COURT: All right. Okay. I want to talk
17 about your right of appeal, and this is somewhat disjointed
18 because it is.

19 These are the same in both cases. So, I'll --
20 I'll just go over these now. And the one that I'm going to
21 talk about deals with your waiver of your right to appeal
22 your conviction, and that is in paragraph 21 in both plea
23 agreements, and it's very short, but it actually contains
24 three separate provisions.

25 I'm going to just read the first sentence because

1 it is clear.

2 "Defendant understands that with
3 the exception of an appeal based upon a
4 claim that Defendant's guilty pleas were
5 involuntary, by pleading guilty,
6 Defendant is waiving and giving up any
7 right to appeal Defendant's convictions
8 on the offenses to which he is pleading
9 guilty."

10 So that we understand what we were referring to by
11 convictions, toward the end of this hearing, I am going to
12 ask you how you plead to -- to Count 2 on Case Number 91 and
13 Counts 1, 5, and 8 of Case Number 702, and if -- solely by
14 way of example -- if you indicate that you are going to
15 plead guilty to any of those and if I accept your plea and
16 order that it be entered, then you will stand convicted on
17 that or those counts. Okay.

18 All right. So, what this is saying here is that
19 should you wish to challenge your conviction on appeal, the
20 one basis that you have reserved pursuant to the written
21 terms of this agreement, the one basis that you have
22 reserved upon which you can base an appeal is that your
23 guilty plea was involuntary.

24 You understand that?

25 THE DEFENDANT: Yes, your Honor.

1 THE COURT: All right. I'll ask you again, are
2 you pleading guilty voluntarily and of your own free will?

3 THE DEFENDANT: Yes, your Honor.

4 THE COURT: Okay. The next thing -- provision
5 that's contained in this one paragraph, you are giving up
6 your right to challenge that the statutes that you are
7 charged with having violated, you're giving up your right to
8 challenge that those statutes are unconstitutional.

9 Do you understand that?

10 THE DEFENDANT: Yes, your Honor.

11 THE COURT: Okay. The last thing -- and this now
12 deals with a provision of the plea agreement itself.
13 There's a statement of facts contained in the plea
14 agreement. And you are essentially acknowledging that the
15 statement -- well, let me put it this way. You're giving up
16 your right to challenge the sufficiency of the statement of
17 facts to support a guilty plea. You're not going to be able
18 to argue that there's something substantial or material
19 missing from the statement of facts that's set forth in the
20 plea agreement that it's insufficient to support a guilty
21 plea. That's off the table, those three things. Should you
22 wish to challenge your conviction on appeal, the only basis
23 open for you to do that, to assert that challenge, is that
24 your guilty plea was involuntary.

25 Second, you're not going to be able to challenge

1 the constitutionality of the statutes that you are allegedly
2 -- charged with having allegedly violated, and you're not
3 going to be able to challenge the statement of facts that's
4 set forth in the plea agreement to argue that it is
5 insufficient to support a guilty plea.

6 Understood?

7 THE DEFENDANT: Yes, your Honor.

8 THE COURT: Any questions?

9 THE DEFENDANT: No, your Honor.

10 THE COURT: Okay. The next thing I want to deal
11 with is the next paragraph which -- paragraph 22, which
12 appears under the heading "Limited Mutual Waiver of Appeal
13 of Sentence."

14 A few moments ago, when the prosecutor, Mr. Wise,
15 went over the various penalties that you face, we talked
16 about the -- the maximum term of imprisonment which could be
17 imposed, the maximum fine which could be levied against you.
18 There's also a provision dealing with supervised release,
19 which is that period of community supervision that follows
20 the completion of your term of imprisonment.

21 These things are -- some of these things are
22 controlled by statute. For example, the fines, the fines
23 are controlled by statute. The term of supervised release,
24 that is controlled by statute. Some of the conditions of
25 supervised release, a few of those are controlled by

1 statute, but largely, they must bear some relationship to
2 the crime of conviction. There must be some relationship
3 there. Okay. For example, there couldn't be a prohibition
4 in your case. There couldn't be a prohibition in there
5 against you gambling. It's got nothing to do with -- with
6 the offenses here.

7 I'm trying to think of a situation here where this
8 is -- could likely come up, but this isn't something that is
9 normally -- it's not normally an issue that is raised in
10 terms of challenging provisions of your sentence.

11 In this particular case, you are agreeing to a
12 particular sentencing range. The Court has indicated that
13 it is willing to go along with the agreement that you have
14 reached with the Government and impose a sentence that is
15 within that range.

16 We have entered into what's colloquially referred
17 to as a binding plea agreement. I guess the only person
18 that's being bound is me. All right. And I agree to be
19 bound by the agreement that you all have reached.

20 Everything else is going to be controlled by
21 statute. I can't impose a fine that's just outrageously
22 large. I can't impose restitution that isn't supported by
23 the evidence in this case. Now we're talking about the tax
24 case.

25 I don't -- I can't foresee of a situation where

1 this is likely to come up, but if it does, we got enough
2 lawyers in the room here that are apprised of the
3 circumstances that would certainly call it to the Court's
4 attention so that it would be corrected. Okay. I certainly
5 have no interest in imposing a sentence that is unlawful or
6 is in excess of what the parties have agreed to. So, if
7 that should happen, it will get fixed, all right. But I just
8 want you to know that you do retain the right to -- to raise
9 on appeal -- in fact, raise -- raise it before the appeal.
10 Raise it now so it can be fixed, but you have the -- the
11 opportunity to raise on appeal anything that you feel is
12 improper about the sentence, even though -- I call this one
13 of those absolute agreements, it's not contingent upon
14 anything. It doesn't matter. If you feel that you've been
15 sentenced improperly, raise it. We'll deal with it. All
16 right. Okay.

17 Let's see. Oh, that's right. Mr. Smirnov, I
18 don't know if you happen to have a copy of the plea
19 agreements in front of you, but --

20 MR. CHESNOFF: We do, your Honor.

21 THE COURT: Okay. Would you take a look pages 13
22 and 14. My question is whether or not your signature
23 appears on those pages.

24 THE DEFENDANT: Yeah.

25 THE COURT: All right. And you read this entire

1 agreement before you signed it, is that correct?

2 THE DEFENDANT: Yes, your Honor.

3 THE COURT: And you had an attorney available to
4 you to answer any questions you might have had at the time
5 you signed the agreement?

6 THE DEFENDANT: Yes, your Honor, several
7 attorneys.

8 THE COURT: Several attorneys.

9 THE DEFENDANT: Yeah.

10 THE COURT: You can never have too many attorneys.

11 All right. And does the agreement -- the
12 agreement as it is written, as it stands before you, does it
13 represent the entire understanding between you and the
14 Government?

15 THE DEFENDANT: Yes, your Honor.

16 THE COURT: Okay. Is there anything as far as you
17 can see that is missing from that agreement in terms of your
18 agreement with the Government?

19 THE DEFENDANT: No, your Honor.

20 THE COURT: Okay. Okay. All right. Mr.

21 Chesnoff, same thing, could you take a look at pages 13 and
22 14 of the agreement. Is that your signatures next to the
23 date December 10th?

24 MR. CHESNOFF: That's correct, your Honor.

25 THE COURT: All right. And you were available to

1 -- well, I don't want to assume, but did your client sign
2 the agreement in your presence?

3 MR. CHESNOFF: I was present with him, your Honor.

4 THE COURT: Okay. So, you were available to him
5 to answer any questions he might have had at the time he
6 signed the agreement?

7 MR. CHESNOFF: I was, and I did.

8 THE COURT: All right. Excellent. And does this
9 agreement represent the entire understanding between your
10 client and the Government?

11 MR. CHESNOFF: Yes, it does, your Honor.

12 THE COURT: And did you review the facts of this
13 case and all of the discovery provided by the Government?

14 MR. CHESNOFF: Yes, sir.

15 THE COURT: Did you review -- did you review those
16 facts and discovery with your client?

17 MR. CHESNOFF: Yes, your Honor.

18 THE COURT: Have you pursued with your client the
19 potential defenses he might have?

20 MR. CHESNOFF: Yes, your Honor.

21 THE COURT: And have you advised your client
22 concerning the legality or admissibility of any statements
23 or confessions or other evidence that the Government has
24 against him?

25 MR. CHESNOFF: Yes, we did, your Honor.

1 THE COURT: To the best of your knowledge, is your
2 client pleading guilty because of any illegally obtained
3 evidence in the possession of the Government?

4 MR. CHESNOFF: No, your Honor.

5 THE COURT: And did you and your client agree that
6 it was in his best interest to enter this plea?

7 MR. CHESNOFF: Yes, your Honor.

8 THE COURT: And do you believe that your client is
9 entering into this plea freely and voluntarily, with full
10 knowledge of the charges against him and the consequences of
11 his plea?

12 MR. CHESNOFF: Yes, I do, your Honor.

13 THE COURT: Okay. Now, I want it to be thoroughly
14 understood that everything that we're doing pertains to --
15 to both cases, both 91 and 702.

16 MR. CHESNOFF: I understand that, your Honor.

17 THE COURT: All right. And have there been any
18 promises, representations or guarantees made either to you
19 or to your client other than what is contained in the
20 written plea agreements and anything that may have been
21 stated here in open court?

22 MR. CHESNOFF: No, your Honor.

23 THE COURT: Other than a general discussion of the
24 guideline sentencing range and other sentencing
25 considerations, have you given any indication of what

1 specific sentence the Court would impose or convey to your
2 client any promise of a particular sentence in the event the
3 Court accepts his pleas of guilty? This is to be
4 distinguished from the range which the Court has already
5 indicated that it will stay within.

6 MR. CHESNOFF: No, your Honor. I've told him that
7 the Court would, if agreed to accept the plea, would
8 sentence him on both cases for a total amount of time
9 between 48 and 72 months, that there was a joint
10 recommendation of one year of supervision and there was a
11 recommendation of no fine, and he understands he has to pay
12 his taxes.

13 THE COURT: Thank you.

14 Do you -- have you come to any other
15 understanding, Mr. Smirnov?

16 THE DEFENDANT: No, just those.

17 THE COURT: Okay.

18 MR. CHESNOFF: There was one additional thing,
19 your Honor.

20 THE COURT: Sure.

21 MR. CHESNOFF: The agreement notes that he gets
22 credit for time served on both cases from the date of his
23 arrest, your Honor. And we believe that the Bureau of
24 Prisons would acknowledge and honor that, your Honor.

25 THE COURT: Absolutely. That's -- yeah. They are

1 going to take care of that. Okay.

2 MR. CHESNOFF: Thank you.

3 THE COURT: Considering everything that's been
4 discussed so far, do you know of any reason why the Court
5 should not accept your client's pleas on both cases?

6 MR. CHESNOFF: I have no reason, your Honor.

7 THE COURT: Okay.

8 MR. CHESNOFF: Your Honor, may I have a moment
9 with my client?

10 THE COURT: Sure. Of course.

11 (Pause to confer.)

12 MR. CHESNOFF: No -- no -- most respectfully, your
13 Honor, please proceed.

14 THE COURT: All right. Mr. Wise, other than
15 stated here in open court and other than what is stated in
16 the written plea agreement, has the Government made any
17 promises, representations or guarantees either to the
18 Defendant or defense counsel?

19 MR. WISE: No, your Honor.

20 THE COURT: Does the Government waive jury trial?

21 MR. WISE: Yes, your Honor.

22 THE COURT: Thank you, sir.

23 Mr. Smirnov, are you satisfied with the
24 representation your lawyers have provided you so far?

25 THE DEFENDANT: Can you please repeat?

1 THE COURT: Did you ask me to repeat that?

2 MR. CHESNOFF: Yes.

3 THE COURT: Okay. Are you satisfied --

4 THE DEFENDANT: Yes. I'm sorry.

5 THE COURT: -- with the representation your
6 lawyers have provided to you so far?

7 THE DEFENDANT: Yes, your Honor.

8 THE COURT: Okay. And have you told your lawyers
9 everything you know about your case, especially about any
10 statements or confessions or other evidence that you know
11 about that the Government has against you?

12 THE DEFENDANT: Yes, your Honor.

13 THE COURT: Do you believe that your lawyers have
14 fully considered any reasonable defense you may have to the
15 charges?

16 THE DEFENDANT: Yes, your Honor.

17 THE COURT: Do you believe your lawyers have fully
18 advised you concerning this matter?

19 THE DEFENDANT: Yes, your Honor.

20 THE COURT: Do you believe you've had enough time
21 to discuss this matter with your lawyers?

22 THE DEFENDANT: Yes, your Honor.

23 THE COURT: Do you believe you understand the
24 consequences to you of this decision to plead guilty?

25 THE DEFENDANT: Yes, your Honor.

1 THE COURT: Do you know of any reason why the
2 Court should not accept your pleas of guilty?

3 THE DEFENDANT: No, I don't, your Honor.

4 THE COURT: Do you understand then that all that
5 is left in your case if I accept your pleas of guilty is the
6 imposition of sentence, which will include imprisonment? Do
7 you understand that?

8 THE DEFENDANT: Yes, your Honor.

9 THE COURT: Mr. Smirnov, having in mind all that
10 we have discussed regarding your pleas of guilty, the rights
11 that you will be giving up and the maximum sentence -- the
12 maximum sentence you could receive, is it still your desire
13 to plead guilty?

14 THE DEFENDANT: Yes to both cases.

15 THE COURT: You did say yes to both cases.
16 Excellent. Thank you, sir.

17 All right, sir. I want you to listen carefully.
18 I'm going to ask Mr. Wise to state the facts that the
19 Government would be prepared to prove at trial, and then I'm
20 going to ask you some questions about what he is about to
21 say. I assume we're going to read from the statement of
22 facts.

23 MR. WISE: Yes, your Honor.

24 THE COURT: Okay. Great. Thank you.

25 MR. WISE: And this is at Exhibit B to both plea

1 agreements, the Statement of Facts in Support of Plea
2 Agreement for Defendant Alexander Smirnov.

3 Defendant, Alexander Smirnov, was a resident of
4 Los Angeles, California and a self-described consultant.

5 Defendant was born in the USSR and was naturalized
6 as a U.S. citizen on July 21st, 2015.

7 The following are specific facts as to United
8 States versus Alexander Smirnov, Criminal Number 2:24-CR-
9 00091-ODW.

10 Defendant was a confidential human source or CHS
11 with the Federal Bureau of Investigation or FBI. As a CHS,
12 Defendant was assigned a handling agent, hereafter the
13 handler, who was a special agent on an FBI squad that
14 investigated violations of federal criminal law.

15 As a CHS, Defendant provided information to the
16 handler that was then used in various criminal
17 investigations conducted by the FBI. Defendant knew that
18 information he provided was used in criminal investigations
19 because, among other reasons, the handler advised him that
20 he might have to testify in court based on the information
21 he provided on multiple occasions, including but not limited
22 to October 1st, 2010, May 17th, 2011, November 28th, 2012,
23 April 12th, 2013, August 29th, 2013, July 10th, 2015, and
24 March 11th, 2010.

25 Defendant also knew the information he provided

1 was used in criminal investigations because Defendant
2 participated in a number of operations where he was
3 authorized to engage in criminal activity as part of an
4 ongoing criminal investigation.

5 Defendant was admonished by the handler that he
6 must provide truthful information to the FBI when he first
7 became a CHS in 2010 and on multiple occasions thereafter,
8 including but not limited to, and then there is a series of
9 dates between 2010 and 2013 which, if I may, I'll -- 2023, I
10 apologize -- which, if I may, I won't read into the record
11 but are contained in -- on paragraph 15.

12 In addition, when Defendant was authorized to
13 engage in illegal activity for investigative purposes, he
14 was further admonished that:

15 "Under no circumstances may the CHS
16 participate in an act that constitutes
17 obstruction of justice, for example,
18 perjury, witness tampering, witness
19 intimidation, entrapment or fabrication,
20 alteration or destruction of evidence,
21 unless such illegal activity has been
22 authorized."

23 When Defendant was given this admonishment, he
24 signed an FBI form that contained this statement, including
25 on dates in 2014, 2017, 2018, 2019 and 2020.

1 Despite repeated admonishments that he must
2 provide truthful information to the FBI and that he must not
3 fabricate evidence, Defendant provided false derogatory
4 information to the FBI about Public Official 1, an elected
5 official in the Obama/Biden administration who left office
6 in January 2017 and Business Person 1, the son of Public
7 Official 1, in 2020, after Public Official 1 became a
8 candidate for President of the United States of America.

9 In March 2017, Defendant reported to the handler
10 that he had a phone call with the owner of Ukrainian
11 Industrial Conglomerate Burisma Holdings, Limited, hereafter
12 Burisma Official 1, concerning Burisma's interests in
13 acquiring a U.S. company and making an initial public
14 offering or IPO on a U.S. based stock exchange.

15 In reporting that conversation to the handler,
16 Defendant also noted that Business Person 1, Public Official
17 1's son, was a member of Burisma's board, a fact that was
18 publicly known. Notably, Defendant did not report in 2017
19 that in the preceding two years, Burisma Official 1 admitted
20 to Defendant that he had paid Public Official 1 \$5 million
21 when Public Official 1 was still in office as Defendant
22 later claimed. That information was memorialized in an --
23 in an official record of the FBI on a Form 1023, which is
24 referred to hereafter as the 2017 1023.

25 Three years later, in May 2020, Defendant sent the

1 handler a series of messages expressing bias against Public
2 Official 1 who was then a candidate for President of the
3 United States of America and the presumptive nominee of one
4 of the two major American political parties.

5 One month later, in June 2020, Defendant reported
6 for the first time two meetings in 2015 and/or 2016 during
7 the Obama/Biden administration in which he claimed
8 executives associated with Burisma, including Burisma
9 Official 1, admitted to him that they hired Business Person
10 1 to "protect us through his dad from all kinds of problems"
11 and later that they had specifically paid \$5 million each to
12 Public Official 1 and Business Person 1 when Public Official
13 1 was still in office so that "Business Person 1 will take
14 care of all those issues through his dad," referring to a
15 criminal investigation being conducted by the then Ukrainian
16 Prosecutor General into Burisma and to "deal with the then
17 Ukrainian Prosecutor General".

18 Defendant was in Los Angeles, California at the
19 time he made these statements to the handler.

20 Defendant also reported in June 2020 two purported
21 phone calls between himself and Burisma Official 1 wherein
22 Burisma Official 1 stated that he had been forced to pay
23 Public Official 1 and Business Person 1 and that it would
24 take investigators 10 years to find records of illicit
25 payments to Public Official 1.

1 The information Defendant provided the handler was
2 memorialized on a Form 1023 which is hereafter referred to
3 as the 2020 1023, an official record of the FBI, which was
4 finalized on June 30th, 2020.

5 The events Defendant first reported to the handler
6 in June 2020 were fabrications. In truth and fact,
7 Defendant had contact with executives from Burisma in 2017
8 after the end of the Obama/Biden administration and after
9 the then Ukrainian Prosecutor General had been fired in
10 February of 2016, in other words, when Public Official 1
11 could not engage in any official act to influence U.S.
12 policy and when the Prosecutor General was no longer in
13 office.

14 Defendant transformed his routine and
15 unextraordinary business contacts with Burisma in 2017 and
16 later into bribery allegations against Public Official 1,
17 the presumptive nominee of one of the two major political
18 parties for President, after expressing bias against Public
19 Official 1 and his candidacy.

20 When he was interviewed by FBI agents in September
21 2023, Defendant repeated some of his false claims, changed
22 his story as to other of his claims, and promoted a new
23 false narrative about the son of Public Official 1 after he
24 had met with Russian intelligence officials.

25 The following are the facts that relate to United

1 States versus Alexander Smirnov Number 2:24-CR-00702-ODW.

2 Defendant received more than \$2 million in income
3 from multiple sources in 2020, 2021, and 2022. he used
4 these funds to pay personal expenses for himself and his
5 domestic partner, a woman that he had referred to as his
6 girlfriend and at other times his wife, although they are
7 not married. These expenditures included a \$1.4 million Las
8 Vegas condominium, a Bentley, and hundreds of thousands of
9 dollars of clothes, jewelry and accessories for himself and
10 domestic partner purchased a high-end retailers in Los
11 Angeles and Las Vegas.

12 Defendant directed the payors to wire the money to
13 (a) a Bank of America, hereafter BOA, account ending in
14 3928, held in the name of Avalon Group, hereafter referred
15 to as the Avalon account, which the Defendant controlled,
16 (b) a Wells Fargo account ending in 1356, held in the name
17 of domestic partner referred to hereafter as the domestic
18 partner account, which the Defendant controlled and into
19 which the Defendant also transferred approximately \$1.8
20 million from the Avalon account and (c) a Wells Fargo
21 account ending in 1299 held in the name of Goldman
22 Investments Group, which the Defendant controlled and into
23 which he also transferred \$150,000 from the Avalon account.

24 Avalon Group, Incorporated or Avalon is the
25 Defendant's alter ego. Avalon was incorporated in the State

1 of Delaware on January 22nd, 2020. The Defendant identified
2 himself in a State of Delaware annual Franchise Tax Report
3 as the CEO of Avalon and its only officer and director.
4 According to bank account applications, the Defendant
5 identified himself as the President of Avalon. On a
6 business credit card application dated June 18th, 2022,
7 Smirnov listed \$60,000 in total annual income and \$250,000
8 in gross business income, identified investment income as
9 the source of his income and listed his current position as
10 real estate.

11 Despite having an IRS tax filing requirement,
12 Avalon never filed a U.S. Corporate Income Tax Return on
13 Form 1120.

14 In 2020, 2021, and 2022, Defendant received into
15 the Avalon account \$1,534,000 from Company 1 and on page 19
16 of the plea agreements is a table that identifies the date
17 and the amount of wires from Company 1.

18 In 2021 and 2022, Defendant received into the
19 Avalon account \$800,000 from Payor 1 and BCG, LLC, an entity
20 owned and controlled by Payor 1, including the payments
21 listed below, and a second table appears with payments from
22 BCG and Payor 1.

23 In 2020, 2021 and 2022, the Defendant transferred
24 more than \$1.8 million from the Avalon account to the
25 domestic partner account. The Defendant commingled these

1 funds with other funds in the domestic partner account.

2 The Defendant used unreported income he received
3 in the Avalon account and the domestic partner account to
4 pay various personal expenses for the Defendant and for
5 domestic partner. The largest personal expense was the
6 purchase of a \$1 million condominium where he and domestic
7 partner lived in Las Vegas in 2022. The second largest
8 single expense occurred on October the 11th, 2022 when the
9 Defendant leased a Bentley using \$122,360 in funds from the
10 domestic partner account. The Defendant signed the check
11 made out to Bentley Financial Services for the lease.

12 From 2021 to 2024, more than \$400,000 in personal
13 credit card debt on the Defendant's City credit card was
14 paid off from funds -- paid off from funds from the domestic
15 partner account.

16 In order to conceal the millions of dollars he
17 received in income in 2020, 2021, and 2022, the Defendant
18 created and filed false Forms 1040, U.S. Individual Income
19 Tax Returns for himself and in domestic partner's name and
20 included false and fictitious income and expenses. The
21 Defendant used a professional tax return preparer to create
22 these returns. The professional tax return preparer who
23 worked in Los Angeles used a tax preparation software to
24 create returns for the Defendant. The Defendant provided
25 the professional tax return preparer with the income and

1 expense figures included in the returns filed on his own
2 behalf and the ones filed in domestic partner's name. The
3 Defendant did not provide any documents that substantiated
4 any of these figures. As a result, the professional tax
5 return preparer refused to sign the returns. The Defendant
6 told the professional tax return preparer that he would not
7 disclose how he earned any income and that the professional
8 tax return preparer should not inquire about how he earned
9 his income.

10 The Defendant also instructed the tax return
11 preparer to delete any emails or messages with the
12 Defendant, which the professional tax return preparer did.
13 The professional tax return preparer advised the Defendant
14 that the Schedule C to a U.S. Individual Tax Return was the
15 most audited part of a tax return because it was often used
16 to cheat on taxes and that, as a result, the Defendant
17 should collect and maintain records that supported all the
18 income and expenses he instructed the professional tax
19 return preparer to include on Schedule C.

20 The Defendant provided income and expense numbers
21 to the professional tax return preparer both for his Form
22 1040 and the Form 1040 that he submitted in domestic
23 partner's name. The professional tax return preparer never
24 spoke to or interacted with domestic partner in 2020, 2021
25 or 2022.

1 In addition, on or about March 19th, 2021, the
2 Defendant prepared and filed a false Form 1120S, U.S. Income
3 Tax Return for an S Corporation for Goldman Investments
4 Group in 2020. This return included false and fictitious
5 income and expenses for Goldman Investments Group. The
6 Defendant did not use the services of the professional tax
7 return preparer in the creation of this return.

8 Defendant filed false Forms 1040 U.S. Individual
9 Income Tax Returns for himself where he falsely claimed on
10 the Schedules C attached to each return that he received (a)
11 \$40,000 in gross receipts for consulting in 2020, (b)
12 \$40,000 in gross receipts for consulting in 2021, and (c)
13 \$50,000 in gross receipts for consulting in 2022. The
14 Defendant did not pay taxes on this -- on this fictitious
15 income. Instead, on those schedules, he claimed factitious
16 expenses in the following amounts in the following tax
17 years, in 2020, \$31,980, in 2021, \$39,878, and in 2022,
18 \$26,768. As a result, the Defendant's -- the Defendant
19 falsely self-assessed owing the U.S. Treasury in 2020 only
20 \$1,133 in taxes.

21 Defendant further reduced his tax obligations by
22 falsely claiming a \$600 COVID 19 Pandemic Rebate for persons
23 who earned \$75,000 or less and \$538 in Earned Income Credit
24 or EIC, which he falsely claimed -- which he falsely claimed
25 entitled him to a refund of \$5.

1 In 2021, zero in taxes. Defendant again further
2 reduced his tax obligations by falsely claiming a \$1,400
3 COVID 19 Pandemic Rebate for persons who earned less than
4 \$80,000 and \$19 in EIC, which he then claimed entitled him
5 to a refund in the amount of \$1,419, and in 2022, only
6 \$4,136 in taxes.

7 To further conceal the millions of dollars in
8 income he received and used to pay his and domestic
9 partner's personal expenses, including income deposited into
10 the domestic partner account from which his personal
11 expenses were paid, Defendant also prepared and filed false
12 Forms 1040 in the name of domestic partner in 2020, 2021 and
13 2022 where he falsely claimed on the Schedules C attached to
14 each return that domestic partner received (a) \$40,000 in
15 gross receipts for consulting in 2020, (b) \$40,000 in gross
16 receipts for consulting in 2021, and (c) \$60,000 in gross
17 receipts for consulting in 2022.

18 Like his own Form 1040, Defendant claimed on those
19 Schedules C similar fictitious expenses in the following
20 amounts in the following tax years, in 2020, \$31,314, in
21 2021, \$36,689, and in 2022, \$31,553.

22 As a result, the Defendant falsely assessed that
23 domestic partner owed the U.S. Treasury in 2020 \$1,228. The
24 Defendant further reduced any tax obligations by falsely
25 claiming that domestic partner was entitled to a \$538 EIC

1 which he claimed resulted in domestic partner owing the U.S.
2 Treasury only \$690, in 2021, \$468 in taxes. The Defendant
3 again further reduced any tax obligations by falsely
4 claiming that domestic partners was entitled to \$470 in EIC,
5 which he then claimed entitled her to a refund in the amount
6 of \$2, and in 2022, \$5,933 in taxes.

7 To further conceal the millions of dollars in
8 income he received into a bank account held in the name of
9 Goldman Investments Group, the Defendant filed a Form 1120S
10 U.S. Income Tax Return for an S Corporation in the name of
11 Goldman Investments Group in 2020. The Defendant falsely
12 reported that Goldman had \$89,282 in gross sales and \$92,300
13 in total deductions.

14 In 2020, the Defendant signed his own -- in 2021,
15 I apologize. In 2021, the Defendant signed his own false
16 return and the false returns he prepared in the name of
17 domestic partner and Goldman Investments Group for tax year
18 2020.

19 In 2022, the Defendant signed his own false Form
20 1040 and signed the false Form 1040 that he prepared for
21 domestic partner for tax year 2021.

22 Finally, in 2023, the Defendant prepared and filed
23 -- prepared a false and fictitious Form 1040 for domestic
24 partner, and while he signed his own false and fictitious
25 Form 1040, his signature did not appear on domestic

1 partner's return for tax year 2022.

2 THE COURT: Mr. Smirnov, did you understand
3 everything that the -- that Mr. Wise just said?

4 THE DEFENDANT: Yes, your Honor.

5 THE COURT: Is everything he said about you and
6 your conduct in this matter true and correct?

7 THE DEFENDANT: Yes, your Honor.

8 THE COURT: Are you pleading guilty to the
9 allegations in indictment 91, as well as indictment 702
10 because they are indeed and in fact true and correct?

11 THE DEFENDANT: Yes, your Honor.

12 THE COURT: Are you pleading guilty because you
13 are guilty, sir?

14 THE DEFENDANT: Yes, your Honor.

15 THE COURT: Does either counsel wish the Court to
16 make any further inquiry in terms of compliance with the
17 requirements of Rule 11(b)?

18 MR. WISE: Not from the United States, your Honor.
19 Thank you.

20 MR. CHESNOFF: No thank you, your Honor.

21 THE COURT: All right. Thank you, gentlemen. In
22 case I didn't mention it before, the plea agreements and
23 Exhibit B are incorporated into and made a part of this
24 proceeding.

25 All right, sir. I'm going to go through each of

1 these four. In connection with indictment 91, Count 2, how
2 do you plead to a violation of 18 U.S.C. Section 1519,
3 creating a false and fictitious record? How do you plead,
4 sir?

5 (Pause to confer.)

6 THE DEFENDANT: Guilty, your Honor. I didn't
7 hear.

8 THE COURT: That's what this --

9 MR. CHESNOFF: He couldn't hear it, your Honor.

10 THE COURT: I thought maybe he changed his mind.
11 Okay. All right.

12 How do you plead, sir, with respect to indictment
13 702?

14 THE DEFENDANT: Guilty, your Honor.

15 THE COURT: Well, hang on.

16 (Pause to confer with clerk.)

17 THE COURT: Okay. If there's a -- let me go over
18 this again in case there's a lack of clarity. First we did
19 91, okay. And the question is how do you plead to Count 2
20 of that indictment charging a violation of 18 U.S.C. Section
21 1519, creation of a false and fictitious record?

22 THE DEFENDANT: Guilty, your Honor.

23 THE COURT: All right. Now let's move on to
24 indictment 702, and I'll begin with Count 1, then I'll go to
25 Count 5 and then Count 8. They're all the same.

1 All right. Count 1 charges an evasion of an
2 assessment or filing a false return, in violation of Title
3 26 United States Code Section 7201, 7201. How do you plead?

4 THE DEFENDANT: Guilty, your Honor.

5 THE COURT: How do you plead to that same charge
6 as alleged in Count 5 of indictment 702?

7 THE DEFENDANT: Guilty, your Honor.

8 THE COURT: Same charge as alleged in Count 8 of
9 the indictment 702, how do you plead?

10 THE DEFENDANT: Guilty, your Honor.

11 THE COURT: All right, sir. I'm going to make
12 certain findings. If you don't understand what I say or if
13 you disagree with what I say, please interrupt me right way
14 or ask one of your attorneys to -- to interrupt me.

15 In the matter of the United States of America
16 versus Alexander Smirnov, the Court, having questioned the
17 Defendant and his counsel on his offers of pleas of guilty
18 to Count 2 of the 91 indictment, a felony, and Counts 1, 5
19 and 8 of the 702 indictment, also all felonies, Defendant
20 and his counsel having advised the Court that they have
21 conferred concerning the offered pleas of guilty and all
22 aspects of the charges against him, as well as any defenses
23 he may have.

24 (Pause.)

25 THE COURT: And the Court having observed the

1 Defendant's intelligence, demeanor and attitude while
2 answering questions, and the Court having observed that the
3 Defendant does not appear to be under the influence of any
4 medicine, drug or other substance or factor that might
5 affect his actions or judgment in any matter, the Court
6 finds that the Defendant is fully competent and capable of
7 entering an informed plea, that he is aware of the nature of
8 the charges and the consequences of his plea.

9 The Court further finds that the pleas of guilty
10 are knowingly, voluntarily, and intelligently made with a
11 full understanding of the nature of those charges, the
12 consequences of his plea, his constitutional rights.

13 The Court further finds that the plea is supported
14 by an independent factual basis containing each of the
15 essential elements of the offenses. The Court, therefore,
16 accepts the pleas and orders that they be entered.

17 (Pause.)

18 THE COURT: Have we waived entirely Presentence
19 Reports?

20 MR. CHESNOFF: My understanding, your Honor, is
21 that we were going to ask them to expedite --

22 THE COURT: Oh, okay. Expedited?

23 MR. CHESNOFF: Yes.

24 THE COURT: Thank you. All right.

25 A written Presentence Report will be prepared by

1 the Probation Office, and we will ask that that report --
2 the preparation of that report be expedited.

3 You, sir, will be asked to provide information for
4 that report, and your attorney may be present if you wish.
5 You and your attorney will be able to read the report and
6 file objections, if you have any, before the sentencing
7 hearing. You and your attorney will be able to speak on
8 your behalf at that hearing, and I urge you to consult with
9 him throughout the process so that he may answer any
10 questions that you may have.

11 I will leave it to counsel to schedule the -- the
12 interview with the Probation officer for the preparation of
13 that report.

14 As it stands right now, sentencing is set for
15 January 8th of 2025 at 10:30 a.m. in this courtroom. The
16 sentencing position papers by the Government and by the
17 Defendant should be on file with the Court two weeks in --
18 one week, on week in advance of the sentencing hearing.

19 Sir, you will remain where you are until the date
20 of sentencing.

21 Anything further from the Government?

22 MR. WISE: No, your Honor. Thank you.

23 MR. CHESNOFF: No, your Honor. Thank you.

24 THE COURT: Okay. All right, Gentlemen. We will
25 see you in January.

1 MR. CHESNOFF: I thank the Government, your Honor,
2 for their professionalism.

3 THE COURT: Well, if nothing else, they are always
4 professional.

5 THE CLERK: Court is now in recess.

6 (Proceedings concluded.)

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1 I certify that the foregoing is a correct
2 transcript from the electronic sound recording of the
3 proceedings in the above-entitled matter.

4

5 /s/Jordan Keilty 12/19/2024
6 Transcriber Date

7 FEDERALLY CERTIFIED TRANSCRIPT AUTHENTICATED BY:

8

9 /s/L.L. Francisco
10 L.L. Francisco, President
11 Echo Reporting, Inc.

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